

Minutes of the meeting of the Finance Committee of the Board of Directors of the Cook County Health and Hospitals System held Friday, July 19, 2019 at the hour of 8:30 A.M., at 1950 W. Polk Street, in Conference Room 5301, Chicago, Illinois.

I. Attendance/Call to Order

Acting Chair Hammock called the meeting to order.

Present: Acting Chair M. Hill Hammock (Substitute Member) and Directors Hon. Dennis Deer, LCPC, CCFC; Ada Mary Gugenheim (Substitute Member); and Mary B. Richardson-Lowry (3)

Directors Mary Driscoll, RN, MPH and Mike Koetting

Present

Telephonically: Chair Robert G. Reiter, Jr. (1)

Absent: Director David Ernesto Munar (1)

Director Gugenheim, seconded by Director Richardson-Lowry, moved to allow Chair Reiter to telephonically participate in the meeting as a voting member. THE MOTION CARRIED UNANIMOUSLY.

Additional attendees and/or presenters were:

Ekerete Akpan – Chief Financial Officer
Charles Jones – Chief Procurement Officer
James Kiamos – Chief Executive Officer, CountyCare
Jeff McCutchan – General Counsel

Beena Peters, DNP, RN, FACHE – Chief Nursing Officer
Deborah Santana – Secretary to the Board
John Jay Shannon, MD – Chief Executive Officer

II. Public Speakers

Acting Chair Hammock asked the Secretary to call upon the registered public speakers.

The Secretary responded that there were none present.

III. Action Items

A. Minutes of the Finance Committee Meeting, June 21, 2019

Director Richardson-Lowry, seconded by Director Gugenheim, moved to accept the Minutes of the Finance Committee Meeting of June 21, 2019. THE MOTION CARRIED UNANIMOUSLY.

B. Contracts and Procurement Items (Attachment #1)

Charles Jones, Chief Procurement Officer, provided an overview of the contractual requests presented for the Committee's consideration. The following individuals provided additional information on the requests: Ekerete Akpan, Chief Financial Officer; and Dr. Beena Peters, Chief Nursing Officer. The Committee reviewed and discussed the requests.

Mr. Jones noted that, with regard to request number 12, the request will be revised to a lower dollar amount and extended for a shorter period of time. The transmittal is currently reflecting a request to extend the contract for six (6) months and increase it in an amount not to exceed \$18,250,000.00. The transmittal will be revised to request an extension of time of four (4) months and increase in an amount not to exceed \$12,166,667.00.

III. Action Items

B. Contracts and Procurement Items (continued)

With regard to request number 10, Director Richardson-Lowry inquired regarding the approximate number of persons brought in as temporary staff associated with this request. Mr. Jones stated that this information will be provided to the Committee through the Chair.

Director Deer, seconded by Director Richardson-Lowry, moved the approval of request numbers 1 through 25, subject to completion of review by Contract Compliance, where appropriate. THE MOTION CARRIED UNANIMOUSLY.

C. Any items listed under Section III

IV. Report from Chief Procurement Officer

A. Report on Minority and Women-Owned Business Enterprise (M/WBE) Participation (Attachment #2)

Mr. Jones provided an overview of the M/WBE Report presented for the Committee's information. The Committee reviewed and discussed the information.

Director Richardson-Lowry inquired whether staff can capture the dollar amount associated with indirect participation. Mr. Jones responded that this can be provided.

B. Report of emergency purchases

There were none reported.

V. Report from the Chief Financial Officer (Attachment #3)

- **Metrics**
- **Financials: May 2019**

Mr. Akpan provided an overview of the metrics and Financials through May 2019. The Committee reviewed and discussed the information.

Acting Chair Hammock asked Mr. Akpan to provide a brief summary of the information presented to County Commissioners at their recent Finance Committee mid-year budget review meeting. Mr. Akpan stated that, for FY2019, the administration is seeing a gap in Cook County Health's budget in the amount of \$103 million. The administration received \$77 million from the State relating to Graduate Medical Education, so the gap is now reduced to \$26 million. The administration is actively working to identify further solutions to address the remaining gap of \$26 million.

The Committee discussed the subject of the backlog at the State in processing Medicaid applications. James Kiamos, Chief Executive Officer of CountyCare, stated that the backlog represents six (6) months worth of applications for approximately 100,000 members. The State is actively addressing this; however, he does not expect to see an impact on it until fall or winter.

V. Report from the Chief Financial Officer (continued)

Following the discussion of the metrics, Acting Chair Hammock requested that a new metric be added regarding provider payments versus capitation, so the Committee can monitor and see if the appropriate margin exists. Additionally, following the discussion of the metric of Days Cash on Hand, Chair Hammock requested that a metric be added regarding days payable.

VI. Recommendations, Information/Discussion Item

A. Introduction to Cook County Health's FY2020 Preliminary Budget (Attachment #4)

Mr. Akpan provided an overview of the Introduction to Cook County Health's FY2020 Preliminary Budget. The Committee reviewed and discussed the information.

The presentation included information on the following subjects:

- FY2020 Budget Drivers
- FY2020 Projected Volume
- FY2020 Revenue Drivers
- County Health Fund Allocation
- FY2020 Expenditure Drivers
- Critical Success Factors
- FY2019/2020 Budget
- FY2020 Budget Calendar

Director Deer inquired regarding the criteria considered when determining where a clinic will be located. Dr. John Jay Shannon, Chief Executive Officer, responded that the administration considers the following: where the population need is; access, including transportation; where alternatives are; and market realities - where space is located at a reasonable price.

Director Richardson-Lowry requested information on projections from FY2017 going forward, along with the averages, to see where the organization hit the mark and where it did not. Additionally, as the organization continues to grow its ambulatory services and communities, and there are particular communities where a lot of growth is seen, she stated that it would be nice for the Directors to do some site visits, to inform their thinking.

VII. Closed Meeting Item

A. Discussion of Personnel Matters

Director Richardson-Lowry, seconded by Director Deer, moved to recess the open meeting and convene into a closed meeting, pursuant to the following exception to the Illinois Open Meetings Act: 5 ILCS 120/2(c)(1), regarding "the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity."

VII. Closed Meeting Item (continued)

On the motion to recess the open meeting and convene into a closed meeting, a roll call was taken, the votes of yeas and nays being as follows:

Yeas: Acting Chair Hammock and Directors Deer and Richardson-Lowry (3)
Nays: None (0)
Absent: Chair Reiter (1)

THE MOTION CARRIED UNANIMOUSLY and the Committee convened into a closed meeting.

Acting Chair Hammock declared that the closed meeting was adjourned. The Board reconvened into the open meeting.

VIII. Adjourn

As the agenda was exhausted, Acting Chair Hammock declared the meeting ADJOURNED.

Respectfully submitted,
Finance Committee of the
Board of Directors of the
Cook County Health and Hospitals System

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
M. Hill Hammock, Acting Chair

Attest:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
Deborah Santana, Secretary

Follow-up / Requests:

- Request: With regard to request number 10, a request was made for information on the approximate number of persons brought in as temporary staff associated with this request. Page 2
- Request: With regard to the M/WBE Report, a request was made for information on the dollar amount associated with indirect participation. Page 2
- Request: With regard to the financial metrics, a request was made for the following new metrics to be added: 1) provider payments versus capitation; and 2) days payable. Page 3
- Request: With regard to the budget discussion, a request was made for information on projections from FY2017 going forward, along with the averages. Page 3
- Request: A request was made for site visits to be planned for Directors to visit the ambulatory clinics and communities where a lot of growth is being seen. Page 3